Minutes of Point Board of Directors Meeting
May 14, 1986

The meeting was called to order at 8:30 outside the Book Depot in Mill Valley by Kevin Kelly. Also present were Stewart Brand, Paul Hawken, Huey Johnson, Matthew McClure and Clifford Figallo.

First, Kevin gave a general description of Point's financial state: $60,000 in the bank now, but obligations to produce the Essential Whole Earth Catalog, print Whole Earth Reviews, etc., account for most of that. Clifford Figallo will be approaching bankers on the subject of a loan or a line of credit. Paul Hawken suggested that Clifford contact the Bank of California, who lent Point the $250,000 for the Whole Earth Software Catalog, and recommended he call Valerie Hessen at 765-0298 to get the name of a person to deal with.

Kevin also listed prospective titles in the works:
Planetree on Health
Small Business by Paul Hawken
Communications
Land Use by Peter Warshall

Kevin said that Living Records is moving out of the office adjacent to Point's current office space, and that he was considering acquiring the space for $600/month, and letting the WELL move into those offices, along with Point's bookkeeping functions. He also said we needed to discuss Point's posture with respect to the coming acquisition of NETI's interest in the WELL by Internetwork Communications, Inc., formerly known as the New England Commons.

Clifford explained briefly that the WELL's financial position was approaching breakeven, with roughly $11,000 cash coming in each month, and roughly $13,000 going out. Additional capital contributions of $12,500 have been agreed to by ICI and Point; Point has contributed roughly $9,000 and also is owed $4,000 by the WELL; ICI has contributed $7,500 and is expected to contribute the remaining $5,000 in the next month.

Huey Johnson said that since the Point Board serves both as a check on the staff and as an external source of ideas, Point would be better served by improved communication between Point and the Point Board. More reports, financial information, and written accounts of prospective decisions would make it easier for the board members to exercise their fiduciary responsibility. Paul agreed, saying that he could ill afford to be found liable for failure to keep abreast of Point's activities, and that he was not receiving adequate information to keep up.

Clifford said that the Point Board needs to be reconstituted, specifically that a Secretary and a Treasurer must be designated. Huey mentioned the possibility of board insurance, but Paul said that would cost $20,000-$30,000 per

year, and was therefore out of the question.

Kevin brought up the proposal that KCBS has offered Point, to produce a Whole Earth Radio show for a half-hour on Saturday mornings, initially on KRQR. He mentioned that Phil Catalfo, of New Dimensions radio, had offered to help. CBS will offer studio time and a half hour of air time. Huey and Paul agreed that a written proposal with information about advertising and marketing plans--"how much is a half hour of radio worth?"--would make a decision on this much easier. It was agreed that there was no conflict between Point's nonprofit status and advertising revenues, just that taxes might have to be paid on profits of the radio show. Whole Earth Access was suggested as a potential advertising client; Smith & Hawken was similarly suggested, somewhat tongue-in-cheek.

Huey said he knows someone who is on the board of the Wilderness Society who inherited Brown and Co. in New York and who gives away a good deal of money to radio. Huey needs something in writing to make an introduction, and it was agreed that Dick Fugett should get in touch with Huey to pursue this avenue; it was suggested that this person might make a good Board member to replace Martin Rosen.

Huey also suggested that Jan Denton, who works for Sprint and is active in population control might be a good Board member. It was agreed that an "Elijah chair" should be available for subsequent Board meetings, though Paul suggested that the Board have at least one real meeting beforehand.

Stewart suggested that Kevin's compensation was inadequate for the job he's doing - saving the Whole Earth Review, supervising the Essential Whole Earth Catalog, essentially serving as both Editor and Publisher. Kevin said he'd prefer that Point put any additional money towards relieving the work burden he is currently bearing, rather than increasing his compensation. Stewart suggested that Kevin could hire a secretary to help with details. Paul suggested that Stewart be a one-man compensation committee and come up with a suggestion of how to properly remunerate Kevin.

Huey suggested that incentives be provided to the staff for Point's financial performance. It was agreed that Clifford should devise a plan for the Board's approval, based on a percentage of excess of income over expenses at the end of the fiscal year. Paul recommended that such a plan have an upper limit of, say, two or three times the employee's annual salary; otherwise, Point's 501 (c) (3) status could be in jeopardy. Huey and Paul recommended that Clifford consult with a tax expert to insure that any proposed action would be consistent with Point's nonprofit status.

The meeting was adjourned at 9:15 a.m.

Respectfully submitted,

Matthew McClure

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